

**Wind and Prairie Task Force
Minutes, February 27, 2004**

Opening:

The meeting of the Wind and Prairie Task Force called to order at 10:00 am on Friday, February 27, 2004, in the SRS Learning Center, Topeka, Kansas, by Jerry Karr and Jerry Lonergan, Co-Chairs. Task Force Members introduced themselves.

Present:

Rose Bacon	rancher
Claude Blevins	county zoning administrator
Jan Jantzen	KS Flint Hills Adventures, LLC (tourism)
Jerry Karr	farmer
Jerry Lonergan	Kansas Inc
Jim Ludwig	Westar
Alan Pollom	Nature Conservancy
Richard Porter	rancher
Scott Ritchie	rancher, businessman
Richard Seaton	Audubon of Kansas
Jennifer States	JW Prairie Windpower, developer
Don Stephens	rancher
Joseph Stout	rancher
John Strickler	Natural Resource Legacy Alliance
Monty Wedel	county planner
David Yearout	planning consultant

Technical advisory group - Ex officio members

Niki Christopher	attorney
Ryan Dyer	Chair, Prairie Band Potawatomi Energy Committee
Bruce Graham	KEPCO
Mike Irvin	Kansas Farm Bureau
Ed Martinko	State Biologist
Robert Robel	professor emeritus of biology at KSU

Staff

Liz Brosius	Kansas Geological Survey
Debbie Douglass	Kansas Geological Survey
Scott White	Kansas Geological Survey

Special guests:

Scott Allegrucci	Travel & Tourism Development in the Dept. of Commerce
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Ted Eubanks
Les Evans

Fermatta
SERCC liaison to WPTF

WIND AND PRAIRIE TASK FORCE
3rd Meeting – February 27, 2004

SRS Learning Center
2600 SE East Circle Drive South, Room B
directions to the building and printable map are at:
http://www.kansasenergy.org/sercc_wptf_meetings.htm

- 10:00 Welcome and Introductions – Jerry Karr and Jerry Lonergan, co-chairs
- 10:10 Review of Agenda
- 10:15 Tourism Overview and Flint Hills Plan – Ted Eubanks FERMATA and Scott Allegrucci, Kansas Dept of Commerce – Tourism Division
- 11:45 Lunch
- 12:30 Update on Wind Development in Other States and Government Incentives – Donna Johnson, Pinnacle Technology
- 1:30 Wildlife and Bird Interactions with Wind Farms – Robert Robel, Kansas State University and Ed Martinko, University of Kansas
- 2:30 Next Steps
- Subcommittees
 - Preliminary Agreements
 - Review Next Actions
 - Other Information Needs
 - Timing for Presentation from National Wind Coordinating Committee and National Renewable Energy Laboratory
- 3:30 Adjourn

Approval of Minutes:

Jerry Karr: We will have the minutes from last week on web in the next two weeks.

Announcements:

Jerry Karr: The staff has provided the Task Force guidelines to keep us focussed. We also have the siting guidelines of wind projects in Kansas. We will be referring to those later. We have passed out the agenda.

Jerry Lonergan: The National Wind Coordinating Committee has confirmed they will be speaking to us on Friday, March 19. We are also trying to get someone from The National Renewable Energy Laboratory to come speak with us regarding the wind turbine technology.

Tourism Overview and Flint Hills Plan

Jerry Lonergan introduces first speaker, Scott Allegrucci.

Scott Allegrucci: Director of Travel and Tourism Development in the Department of Commerce. We will discuss a general overview of tourism in terms of how the agency, the administration and the division are approaching it. This is to give you an idea of why this is an interest to us, our take on the Flint Hills and several other areas, and offerings that Kansas has for its visitors.

Allegrucci introduced Ted Eubanks, president and CEO of FERMATA, which is a company on the national forefront of experiential land-based tourism development.

Powerpoint presentation entitled “Preliminary Assessment of the Economic and Tourism Impacts of Siting Wind Energy Developments in Kansas Natural Areas” (available at http://www.kansasenergy.org/sercc_wptf_meetings.htm).

First of all, we will focus on the business aspects of nature, culture and history. This is a business discussion, not a philosophical one. This is strictly talking about business opportunities. How this applies at a private land level. Second, we are going to go through the underpinnings of the industry, this business and how I think Wind Power relates. For us, Wind Power is tangential to our focus. I am very much a tourism promoter as a means to an end, not just an end. It is the application for the Great Plains. It's using tourism as a tool. The business of nature. This is the United States and we need to understand what is driving these markets. We have to understand the demography of the United States.

Questions and comments about Eubanks' presentation included:

1. Would the proposed tourism development fee be assessed from the generators within the scenic areas or statewide? (This is for you to decide.)
2. Are these local? (There is a bill before legislature, to develop rural development tax credit funds, would be generated state-wide but deposited for regional controlled application. This may work as a model. There are other models that are of statewide importance that we might be able to take some of those.)
3. What is the best mechanism to bring those dollars back into the local community hands for their product and service side? (Without these areas functioning, the promise of tourism is not going to happen. Yes, wind power has some impact. It is contributing to both sides of this equation. 80% of this market of travelers favor green travel. It is

important to have a mechanism, marketing, green travel, dollars back into community, alternative energy marketing.)

4. You mentioned a precedence for a fee to be paid for development, does this ever work in reverse? (Tourism is the most highly taxed entity in the world, already have a mechanism in place, look at structure, everyone pays a fair share.)

5. When you compensate someone for a lost opportunity, unless there is balance, will you create a pernicious system? (I am not recommending that. Those dollars are used to create marketing enhancement. The landowners are given the choice whether to take advantage of this. They do have an advantage by being close to the developed area.)

6. One view we have discussed was memory, the impression that stays with travelers viewing the site. Does this affect the whole generalized vicinity where viewed? (That is a factor, we always put ugly things on edge of town where visitors see it first. Have you noticed that? All the abandoned RVs, doublewides, old autos, we dump them on the edge of town because we don't want to look at them. In this approach, we include the byways, we are orchestrating the entrance. Think about what it is like coming to and from and include these.)

7. Regarding class 1 or class 2, we are going into historic, cultural, and also include nature, with hands on experience. You mention marketing Kansas as a state experience; doesn't Kansas have it all? From what I obtained from Joyce's speech, we are to look for whether we can obtain both in the state. (The wind power industry does recognize the visual and sound impacts: offshore doesn't have impacts of visual and sound. You could do a conservation approach, and say, don't touch the Flint Hills, or you could go liberal and say, Go for it. There is a rational in-between. This is for the tourism side only. The social impact issues, I don't have input in this area.)

8. With regard to the proposal [development fee], what would be the regional entities to disperse funds? (It would be determined regionally. In congress, we are working off 7 different economic areas, in southeast Kansas they may be called the Southwest Kansas Incorporated, another may be in western Kansas and be called the Western Kansas Regional Economic Development Association. That is the local entity, the regional entity that will have the best access to entrepreneurs and then managing that flow of money from the capital. In view of the tax credit, the regions themselves will identify how they want to disperse those funds.)

9. There is research on both sides that say wind development attracts and detracts tourists. My question is about proximity. How close do tourism sites need to be to each other in order to be mutually attractive? (I use these travel trails to consider movement. If you don't do the tourism development side, you don't have a good argument. If you are going to do both, Flint Hills tourism and wind development, then get a synergy.)

10. There has been wind turbine development in scenic, hilly sites. These were places that already had some tourism potential development. Has there been any market

analysis on the impact to the tourism in these areas? (There has been some research in Europe, Scotland or England. The first take said it was positive, the second take said it was negative.)

11. What is your view of other towers, do you envision that this would only apply to wind turbines or to any structure? (It should apply across the board. Whatever threshold you decide, one is acceptable, one is not. For example, anything over 20% of horizon being impacted is unusable. Some cell phone transmitters are being put inside church steeples or tall building structures to reduce the impact. This is a different scenario, but efforts being made to reduce visual impact.)

12. What is the 20% you are talking about? (The view shed. The problem with the Prairie, it is really a 360 degree view.)

13. There is a resistance from rural community where they don't want city folk in their area. There is an overall problem in this state to develop nature tourism. (In Texas, 96% of the land is private, so from the very beginning it was a private land effort. Ten years ago, Ann Richards, the Governor asked me to serve on a Task Force to develop a nature tourism strategy for the state. We thought it was very important to the state to have this strategy. We developed a legislative component; one was landowners' liability caps to make sure the private landowners were protected. The whole array of horseback riding, kayaking, bird watching, you name it. Second, we were able to extend the private landowners the same ad valorem tax exemption for nature tourism development that they got from agriculture. So they could take some of their land into biolife production, hunting, fishing or whatever it might be and not lose their ag exemption. Both have been in place for 10 years and have been very positive in that state. The third component was that we did not assume the private landowners would have an interest in this. They could choose it or not.)

14. The implementation of setback requirements, do we have voluntarily guidelines or regulatory? Are there any examples? (Don't have an answer)

Update on Wind Development in Other States and Government Incentives

Jerry Lonergan introduced Donna Johnson, Pinnacle Technology.

Powerpoint presentation entitled "Update on Wind Development in Other States and Government Incentives" (available at

http://www.kansasenergy.org/sercc_wptf_meetings.htm).

Questions and comments about Johnson's presentation included:

1. Is wind energy a substitute for coal fired plants? My impression of KS weather, peak demands are in July and August which are low wind dates. Has anyone plotted out relationship to time and peak demands? How do we work in the issue of market of wind power? (Wind doesn't blow all the time, look at wind patterns)

2. Looking at other states, the only state issue is property tax exemption, is that the standard or is this unusual? (This is unusual. Electricity rates are set in the state.)
3. Does the state have guidelines of what is reasonable? (No.)
4. Does the state have a rebate program on the books? (As of a few years ago, it is an abatement, new construction.)
5. What is total production at the Jeffrey power plant? (2,000 MW.)
6. What does Montezuma produce? (About 40 MW.)
7. Jeffrey takes out how many acres? (10,000 acres, surface area covered with water.)
8. Montezuma is 12,000? My question is the resources impact, wind would have less emissions impact, still resource impact in the Flint Hills, how do you trade off? (You have resource impact, question is, is it something you want or don't want? Iowa farmers are happy to have turbines, they are not taking land out of production.)
9. Do you know of any state that is faced with issues we have here? (We already put it in state land, parks, developers are not looking at that property.)
10. Is anyone coping with what we have here? (Cape Cod, Vermont, whole state a beautiful resource. How do you back out and come into discussions with developers. 300 MW of wind farms in Flint Hills before you reach transmission line limit. As a group, these are the real pristine areas, national parks, or other areas of Flint Hills have oil wells. Sit down with developers and work out an agreement. Otherwise you are taking away rights of landowners. There is no model.)
11. The transmission capability limits the turbines to 150-200 MW, but if this works well, and we then have pressure for more wind farms, what keeps transmission from being developed? (I am not saying transmission limitations keep you secure, do not rush into decisions.)
12. Per your overall assessment, what percentage of the state is viable for wind generation? (This could easily get to 1,000 MW plus, developers looking at increasing transmission lines.) 1,000 MW currently? (No, not currently; we'd need additional transmission.)
13. What is feasible? What is the 1,000 MW figure you are using? (If they upgraded one or two lines.) Other than the Flint Hills? (All of it, the people here can not get to the CO, eastern or western grids.)

14. Are there barriers to producing mapping? (The biggest barrier is the landowner sits in a pristine area and says no. Developers want to work with them, they don't want lawsuits, they want a working relationship. Some areas will be considered off limits.)

15. If a pre-existing business was harmed by putting in a wind complex then they would have a legitimate case to be against wind farms. I just want to be sure transmission lines remain on the table. We accept transmission lines that are where they are, very complicated, but we don't want to accept the complications. (The crucial part of your discussions, who is making that decision is not in your control, transmission lines are national, companies still own them, but don't control them.)

16. If FERC decides we need transmission lines, for example, do they tell Westar to build? (Yes, they will provide us opportunity to recover costs, can order to build lines and pay for upgrade lines outside of KS, but will help bring energy to us, may incur costs. If built for enhancing ability to build wind farms, developers would pay most of charges. Powerpools run loop flow models or transmission flow models. Various assumptions, can estimate what developers need to pay for upgrade of transmission. One of the jobs of powerpools is to do a study. Current energy act goes further that if Westar is ordered to build transmission lines, the pending energy act DOE could preempt everybody.)

17. The ideal would be to map and then have the wind developers agree to that. How feasible is that? (You can't make it binding without taking action by legislature.)

18. What is the priority to map overlaying. Some want wind development. (How do you bring all to the table? Some may need the income opportunities as well.)

Wildlife and Bird Interactions with Wind Farms

Jerry Lonergan introduced Ed Martinko, Director of the Kansas Biological Survey, University of Kansas, and Robert Robel, Kansas State University.

Ed Martinko's powerpoint presentation entitled "Wildlife and Bird Interactions with Wind Farms" (available at http://www.kansasenergy.org/sercc_wptf_meetings.htm).

Martinko noted that the Flint Hills is an important breeding area for many birds, and is the core breeding district of the Greater Prairie Chicken.

Robert Robel gave a slide presentation and also passed out copies of an article entitled "Effect of Energy Development and Human Activity on the Use of Sand Sagebrush Habitat by Lesser Prairie-Chickens in Southwestern Kansas" (available at http://www.kansasenergy.org/sercc_wptf_resources.htm).

Robel noted that nest success and chick survival declined due to fragmentation of habitat in southwestern Kansas.

Regarding prairie chickens in the Flint Hills, Robel said he didn't think leks would be disturbed by wind farms, but nesting grounds would likely be disrupted. Since the 1980's

there's been an 80% decline in the prairie chicken population. Robel attributed this decline to changes in land use, especially annual burning and early intensive grazing.

Questions and comments about Robel's presentation included:

1. Do you have any projections about avoidance behaviors around wind turbines? (Conservatively, I would say 8/10ths of a mile.)
2. How would tourism impact loss of habitat? (If you have a lot of tourism—unimproved roads changing to improved roads—you will have an impact. If you want tourists around the birds, you make people walk to the blinds.)
3. Regarding migration corridors, at local level, is this difficult for planning? (It is difficult, there are a number of issues.)
4. Are there studies on impacts of wildlife overall, impact of wind, wildlife in other generations? (No, one study points out one thing; another study points out something else.)
5. If we can map that, is there any way to measure or predict an accurate way to predict impact on migratory birds or find out when built? (We know migratory routes, know specific locations, safe to say, a bit of risk with unknown.)
6. Are there other sources of bird kills as opposed to cars? Doesn't a coal plant emit heat and cause sound? (The emissions don't make any effect. Human activity is there. Prairie Chickens seem to avoid these areas, possibly the combination of noise, movement and structure above the ground. Movement seems to be more important than noise to the nesting sites of birds.)
7. Is there comparison other structures? Is there anything on the distance and how they effect? (No. We do have cell tower studies but found no effect.)
8. Are there some areas in the Flint Hills that do not have nesting grounds that wind turbines would not disturb them? (I am sure there are, but I don't know where these areas are.)
9. Is it possible to reclaim nesting grounds or alter the environment in order to attract a nest? (I know of nothing for nesting. You can transplant animals in to encourage mating behavior.)
10. There has already been a decline in the past 20 years, so is it true this is caused by burning practices in the Flint Hills? (I don't have information on prairie chickens in particular. But looking at birds in general, nesting birds, we counted 27 nests in one hectare, or 2-1/2 acres, in the burned fields and 300+ nests in the unburned fields. So this might make a difference.)

New Business:

Jerry Karr talked about the land trusts and the task force subcommittee that is working on the charge dealing with land leases and landowners. We have been discussing mapping as creating tools to help identify appropriate areas for development. Asked who wanted to be involved in the mapping? Rose Bacon, Dave Yearout, and Monty Wedel volunteered. Bruce Graham and David Yearout volunteered to work on siting guidelines.

Rose Bacon requested several speakers to give overview on land impacts, whether it is a geologist or hydrologist.

Adjournment:

Meeting adjourned at 4:08 pm on Friday, February 27, 2004. The next meeting will be March 19 at this location except across the hall, Room A, 10 am to 3:30 pm.

Minutes submitted by: Melany Miller, WPTF Secretary

Minutes approved by:
